

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL MEMORANDUM**

**HB 1728 – SB 2363**

March 26, 2018

**SUMMARY OF ORIGINAL BILL:** Authorizes physicians to accept goods or services as payment in a direct exchange of barter for healthcare services provided by the physician. Authorizes a physician to offer a patient the option of paying for the cost of healthcare services that are not paid for by health insurance coverage, as defined by Tenn. Code Ann. § 56-7-109, without a direct payment of money by means of a direct exchange of barter using goods or services.

**FISCAL IMPACT OF ORIGINAL BILL:**

NOT SIGNIFICANT

**SUMMARY OF AMENDMENT (015756):** Deletes all language after the enacting clause, except for the effective date section. Authorizes a physician, notwithstanding any provisions of law to the contrary, to accept goods or services as payment in direct exchange of barter for healthcare services provided by the physician if the patient to whom the healthcare services are provided is not covered by health insurance coverage. Requires a physician who accepts barter as payment in accordance with this section to annually submit a copy of the relevant federal tax form disclosing the physician's income from barter to the physician's licensing board.

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Unchanged from the original fiscal note.**

Assumptions for the bill as amended:

- Based on information provided by the Department of Commerce and Insurance and the Department of Health, the proposed legislation will not have an impact on any operations of the departments; therefore, any fiscal impact is estimated to be not significant.

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- The Board of Medical Examiners and the Board of Osteopathic Examination can accommodate receiving federal tax forms utilizing existing resources without an increased appropriation or reduced reversion.
- Pursuant to Tenn. Code Ann. § 4-29-121, all health related boards are required to be self-supporting over a two-year period.
- The Board of Medical Examiners had an annual surplus of \$382,952 in FY15-16, an annual deficit of \$4,714 in FY16-17, and a cumulative reserve balance of \$2,855,288 on June 30, 2017.
- The Board of Osteopathic Examination had an annual surplus of \$102,565 in FY15-16, an annual surplus of \$91,307 in FY16-17, and a cumulative reserve balance of \$794,231 on June 30, 2017.

### **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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